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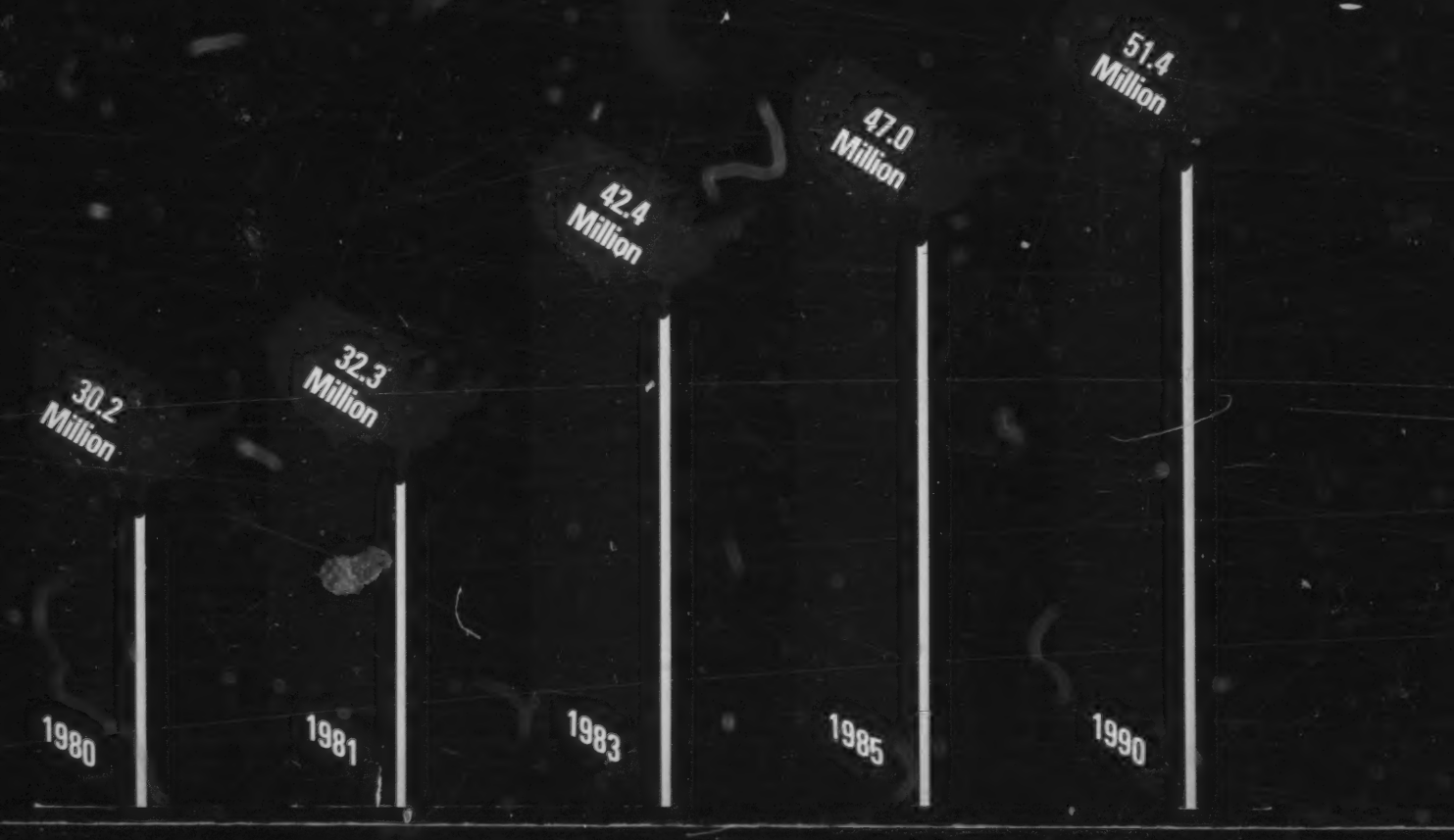
NYSE
New York
Stock Exchange

Shareownership 1990



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Millions of people read New York Stock Exchange® tables in the business sections of newspapers and see images of the trading floor each night on the news. But how many really understand what the NYSE® market is all about?

What Is the NYSE Market?

The NYSE market is made up of a broad spectrum of participants, including listed companies, individual investors, institutional investors, securities firms and dealers with assigned responsibility. The interaction of these diverse participants, working together using the most sophisticated technology and communications systems, creates the NYSE, which sets the standard for securities markets worldwide.

To understand the NYSE market and how it works, it is necessary to know who the participants are and what roles they play.

Listed Companies

More than 1,700 companies from around the world list their shares on the New York Stock Exchange. Listing their shares for sale to the public makes it possible for these companies to raise capital for a wide variety of productive purposes, including research and development, expansion and the creation of jobs and new products. Listed companies are the essence of the NYSE. Without them, there would be no shares and no shareholders.

The shares of listed companies are the vehicles that allow all investors, both large and small, to invest in the nation's future, and participate in the growth and vitality of the economy. Additionally, since the shares of many foreign companies are traded on the NYSE, investors also have the opportunity to share in economic growth worldwide. An NYSE listing provides a company with the highest visibility and the greatest access to investors.

Individual Investors

In no other country does the general public involve itself so extensively and so directly in the ownership of business. About 51 million Americans directly own stocks or shares in stock mutual funds.

Individual investors are very important to the NYSE, and the Exchange has taken a number of initiatives to support their participation. One of these is the Individual Investor Express Delivery Service℠ (IIEDS), which ensures that individuals receive preferential status in the NYSE market at all times. This system is probably best compared to a highway express lane coming into a city during rush-hour traffic. Whenever the market is open, IIEDS® is working for all individual investors. It speeds individual investors' orders to execution and guarantees that they are moved to the front of the line, ahead of institutional orders — even program trading.

Individuals have two ways of participating in the NYSE market. The most obvious is to invest in the stock of individual companies. They also participate indirectly through pension, mutual and other types of funds that make investments on their behalf.

Investing in NYSE-listed companies means owning shares in the best of the business world. Investors can choose from a range of small, medium and large enterprises with proven track records. Over the long term, investments in these securities have out-performed other major investment vehicles. In the decade of the '80s, the compound rate of return on the Standard & Poor's 500 index was 17.4%, compared with 12.2% for corporate and government bonds, 10.6% for commercial real estate and 9.6% for money market funds. Those stocks grew at more than three times the inflation rate. In the forty-year period 1947-87, the S&P 500 index growth rate exceeded 12%.

Introduction

Institutional Investors Institutional investors manage the combined assets of many investors, both large and small. These institutions can range from pension funds to investment companies, from banks to universities. More than 10,000 U.S. institutions with $3.5 trillion in securities under management have access to and use the NYSE market.

Institutions, like individuals, pursue a variety of investment goals. While some manage portfolios based on the fundamental values of stocks, others seek to match overall market movements through various indexing techniques. Both are major users of the NYSE market; they play two critical roles: First, they provide the individuals they represent with expertise and judgment. And second, through the sheer size of their investment resources, institutional investors — along with individual investors — add tremendous liquidity to the NYSE market.

Liquidity, one of the most important characteristics of a good market, is the ease with which securities can be bought and sold under normal circumstances without wide price fluctuations. Institutional investors, along with individuals, who invest through brokerage companies, help to make the NYSE the world's most liquid market.

NYSE Member Firms Member firms, also known as securities firms or brokerage companies, represent customers' orders to buy and sell securities. They also trade on behalf of their own accounts. As both investors and representatives of investors, these firms are extremely important to the functioning of the NYSE market.

Member firms are represented on the NYSE trading floor both by their own brokers and by independent brokers, who contract their services to a number of firms. These trading floor professionals work within the NYSE market to get the best possible price for their customers.

Orders from brokerage offices all over the world are transmitted instantaneously to the NYSE market through the use of state-of-the-art technology. When investors buy or sell shares of a listed company, they contact a retail broker (also known as a registered representative or account executive) who is an employee of the member firm.

The registered representative can handle the customer's order in two ways: In some cases, the account executive notifies a broker on the NYSE trading floor, who executes the trade on behalf of the customer. Information about this transaction is then made available — as it happens — to investors worldwide. And the trade is confirmed in seconds.

Customer orders can also be executed and processed electronically through SuperDot®, a computerized order-routing and reporting system that completes the trading loop within seconds. This includes transmission of an order to the NYSE for execution and communication to the participants that the trade has been completed.

Member firms also perform several other functions in the NYSE market: They trade large block orders for customers. They risk their own capital in order to complete customers' transactions. They also engage in a trading technique known as arbitrage. This is the simultaneous buying and selling of similar products in different markets. And finally, member firms trade on behalf of their own accounts. All of these activities contribute to liquidity.

In performing their respective roles, all of the market professionals, both on and off the trading floor, work in conjunction with NYSE dealers with assigned responsibility to maintain a fair and orderly market.

Specialists – Assigned Dealers NYSE-assigned dealers, also known as specialists, perform a role that could be compared to that of an air traffic controller. They are required to maintain a fair and orderly market in the securities assigned to them.

They are participants in a customer-driven system as opposed to a dealer-driven system. The NYSE is often called an agency auction market; it is an auction with the public represented by agents in the marketplace. Thus, the interaction of buyers and sellers determines the price of an NYSE-listed stock. In contrast, in the over-the-counter market, the price is determined by a dealer who comes between buyer and seller on every trade.

Assigned dealers perform four critical functions: First, they provide a conduit of information — electronically quoting and recording current bid and asked prices for the stocks assigned to them. This enables current price information to be transmitted worldwide, keeping all market participants informed of the total supply and demand for any particular NYSE-listed stock.

Second, assigned dealers act as agents, executing orders entrusted to them by a trading floor broker — orders to be executed if and when a stock reaches a price specified by a customer.

Third, in those occasional instances when there is a temporary shortage of either buyers or sellers, NYSE-assigned dealers will buy or sell for their own accounts, against the trend of the market. They are not, however, required to fund all the liquidity for the market at any time. These transactions represent a small portion of trading. The vast majority of NYSE volume is a result of public orders interacting directly with other public orders.

And fourth, the assigned dealers act as catalysts, bringing buyers and sellers together so that offers to buy can be matched with offers to sell.

Specialists, along with member-firm trading desks, are the dealers participating in the customer-driven NYSE market.

The Best Regulated Market in the World Actions of all market participants are under continuous surveillance during the trading day. In addition, the NYSE reviews the success of assigned dealers in maintaining a fair and orderly market in the securities assigned to them. This close supervision is just one more way in which the NYSE works to maintain the world's fairest, most open and orderly market for the benefit of all participants.

The NYSE market is governed by a firm set of rules, approved by the Securities and Exchange Commission (SEC), to make the market fair and open for all investors. The NYSE fulfills this responsibility with the support of space-age surveillance technology.

The NYSE's efforts are part of a continuum of regulation that includes member firms, exchanges throughout the nation, and the SEC. Together these organizations share responsibility for enforcing federal statutes, rules and regulations. Each of the different components has its own area of responsibility, and all are accountable to Congress.

This effort has resulted in significant enforcement actions, and today anyone who violates securities laws runs an extremely high risk of being caught and prosecuted. While no system is perfect, the NYSE provides the most meaningful market regulation in the world.

All Together, the World's Best Market Interaction between diverse market participants provides strength, stability and fairness. No one group alone can provide the level of liquidity in the market provided by all. Together, they make the NYSE the most liquid, fair and open market, with the broadest access to the greatest number of investors.

Why This Is Important to All of Us The NYSE market contributes to the capital-raising and capital-allocating process that is the strength and hallmark of the U.S. economy. It encourages savings and investment and offers investors the opportunity to share in the growth of the finest companies in America and abroad. Additionally, by encouraging the injection of savings into the market, the NYSE helps individuals invest for their future, the future of their families, and the nation.

The NYSE market encourages the creation and development of new ideas, new products and new services that build successful enterprises and create jobs.

By encouraging capital raising among corporations and investment by a broad range of participants, the NYSE market helps improve the standard of living in the communities in which we live. And the result is a better quality of life for all of us.

Highlights

America emerged from the prosperous but sometimes turbulent 1980s with public participation in its equity markets continuing to expand.

As of mid-1990, when the New York Stock Exchange conducted its twelfth ownership survey, 51,440,000 individuals in the United States owned shares in a publicly traded company or stock mutual fund — a 70% increase in 10 years.*

As of mid-1990, more than one in five individuals were shareowners, compared with fewer than one in seven a decade ago. Additionally, there were tens of millions of Americans with indirect interest in equities through the investments of pension funds, insurance companies and other financial intermediaries.

The average amount shareowners had committed to equity holdings rose sharply between 1985 and 1990, further confirmation of the resiliency of public interest in equities in the face of periods of stress in the marketplace.

Broad participation in the capital-raising process has been a major source of competitive strength for the nation's economy. To identify and profile the characteristics of that participation, the NYSE has conducted a series of increasingly detailed surveys since 1952. The first survey found fewer than 6.5 million individuals, barely 4.2% of the population, involved in stock ownership.

A key finding of the 1990 study, which included interviews with more than 5,000 households across the country, is that there are now over 25 million mutual-fund holders alone — nearly four times the total 1952 investor population. The number of investors with mutual-fund holdings leapt by nearly 130% in the last five years, and by more than 400% in the last decade.

Seventy percent of responding shareowners had NYSE stocks in their portfolios. Just under 60% had investments in mutual funds; fewer than 16% had stocks listed on other exchanges; and slightly over 26% owned over-the-counter issues.

* The survey methodology applied in the 1990 study differs from the techniques used in the 1985 NYSE shareownership survey. The 51.4 million-shareowner total computed in the 1990 survey, therefore, is not directly comparable to the 47 million figure published in the 1985 survey. The comparable 1985 number would be slightly higher than 47 million. A recalculation of the 1990 total using the 1985 technique would yield something less than 51.4 million shareowners. Because of the normal margins of error surrounding all of these statistics, neither the different results stemming from the revised technique nor the apparent change in shareownership from 1985 to 1990 is statistically significant.

Glossary

Shareowners/Individual Shareowners - Individuals who own shares of a publicly traded company and/or shares in a stock mutual fund. The shares of stock or shares of a stock mutual fund may be held in an IRA, Keogh or ESOP plan and may be held by the individual or a broker.

Active Shareowners - Individual shareowners who made at least two stock or mutual-fund transactions in the period between mid-1989 and mid-1990.

Adult Shareowners - Individual shareowners who were 18 years or older when surveyed.

Baby Boomer Shareowners - Individual shareowners who were between the ages of 35 and 44 when surveyed.

New Shareowners - Shareowners who acquired stock or shares in a stock mutual fund for the first time in the period between mid-1989 and mid-1990.

Senior Shareowners - Individual shareowners who were 65 years or older when surveyed.

Shareowner Households - A household in which at least one individual was a shareowner. Includes only those households with a telephone.

Growth of Shareownership

Public involvement in ownership of business in the United States grew during the 1980s after a brief period of decline in the early 1970s.

Results of the mid-year 1990 NYSE survey indicate that the number of individuals owning shares in public corporations or stock mutual funds was 51,440,000. Overall share-ownership participation rose to 21.1% of all Americans.

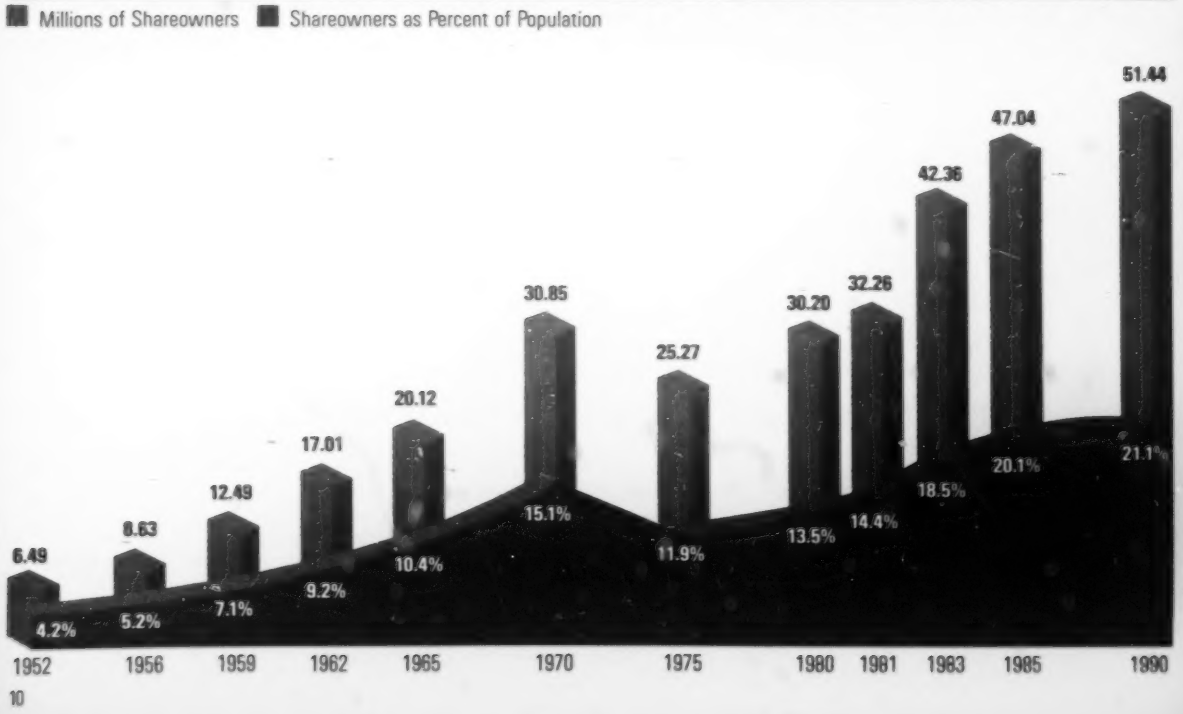
The incidence of ownership increased much more slowly in the last five years than it did in the previous five, when it soared from 13.5% to 20.1%. The biggest jump in the incidence of ownership took place early in the decade (between 1981 and 1983).

For long-term investors, the decade was a good one, with an annual rate of total return on the Standard & Poor's 500 index of more than 17% (December 31, 1979 through December 31, 1989). Perhaps as a result of that growth, survey statistics reveal that despite periods of extreme volatility in October 1987 and October 1989, many investors stayed in the market or withdrew only temporarily.

Hence, the continued high level of participation between 1985 and 1990 suggests that the 1987 market break and concern over more recent periods of uncertainty have had minimal lasting effect on the public's involvement in the ownership of equity instruments.

Because investment decisions are often family decisions, the NYSE for the first time measured ownership by household. The survey found that 34,050,000 households, or two of every five of all 85,132,000 U.S. households with telephones, had at least one resident who was a shareowner.

51 Million Americans Own Shares



Shareownership by Type of Security

Shareownership in NYSE-listed companies continued to be the most frequent form of equity investment by the U.S. shareholder population. Participation in mutual funds was also extremely high.

Seventy percent of those individuals with equity holdings who responded to questions concerning type of security had NYSE-listed stock in their portfolios as of mid-1990, some four million more than in 1985. Nearly 60% of the group held shares in stock mutual funds. The number of mutual-fund holders increased by over 14 million in five years — more than doubling the total to 25.3 million individuals.

Shareownership of over-the-counter/NASDAQ issues rose slightly, from 23% of the population to slightly over 26%. Ownership of non-NYSE, exchange-listed issues — doubling in the last five years from 3.2 million individuals to 6.7 million — rose as a percent of the total from 8.9% to 15.8% in mid-1990.

Shareowners by Type of Security

Total exceeds 100% because some respondents gave multiple answers.

	Individual Shareowners					
	1990		1985		Change From 1985-1990	
Type of Security	Number of Shareowners	% of Total	Number of Shareowners	% of Total	Number of Shareowners	% Change
New York Stock Exchange-listed	29,580,000	70.0	25,263,000	69.7	4,317,000	17.1
Other Stock Exchange-listed	6,670,000	15.8	3,224,000	8.9	3,446,000	106.9
Over-the-Counter/NASDAQ	11,050,000	26.2	8,344,000	23.0	2,706,000	32.4
Stock Mutual Funds	25,260,000	59.8	10,994,000	30.3	14,266,000	129.8
Total Respondents	**42,240,000**		**36,264,000**		**5,976,000**	
No Answer/Don't Know	9,200,000		10,776,000			

The Typical Adult Shareowner

The Typical Adult Shareowner	Male	Female
Age:	45	44
Median Household Income:	$46,400	$39,400
Median Portfolio Size:	$13,500	$7,200
Average Number of Stocks Owned:	3.4	3.0
Education:	College Graduate	Some College
Occupation:	Professional/ Managerial	Professional/ Clerical
Method of Stock Acquisition:	Broker	Broker

Gains in shareownership occurred in all age groups in terms of the number of shareowners.

In contrast to 1985, when declines — both in terms of numbers and as percent of total — were registered in the youngest and oldest groups, distribution of shareowners by age was largely unchanged from 1985 to 1990. Shareowners aged 45 to 64 declined slightly in importance, from 34.3% to 31.6% of all shareowners; the number of minors (under 18) increased somewhat, from 4.4% of the total population to 6.7%.

The median age of all shareowners continued to decline, to 43 years old from 44 in 1985 and a high of 52 in 1975. The median age of the total U.S. population was 32.

The shareownership population among adults remained more heavily weighted toward the male population, with men accounting for 63% of the shareowners.*

Age of Shareowners

	Individual Shareowners			
	1990		1985	
Age	**Number**	**% of Total**	**Number**	**% of Total**
Under 21 Years	3,740,000	7.3	2,260,000	4.8
21 to 34 Years	11,790,000	22.9	11,093,000	23.6
35 to 44 Years	12,260,000	23.8	10,982,000	[illegible]
45 to 64 Years	16,240,000	31.6	16,116,000	[illegible]
65 Years and Older	7,410,000	14.4	6,589,000	14.0
Total	**51,440,000**	**100.0**	**47,040,000**	**100.0**
Median Age:				
All Shareowners		43 Years		44 Years
Adult Shareowners		45 Years		45 Years
U.S. Population		32 Years		31 Years
U.S. Adult Population		40 Years		42 Years

Sex of Shareowners*

	Individual Shareowners			
	1990		1985	
Sex	**Number**	**% of Total**	**Number**	**% of Total**
Adult Males	30,220,000	63.0	27,446,000	61.0
Adult Females	17,750,000	37.0	17,547,000	39.0
Subtotal Adults	**47,970,000**	**100.0**	**44,993,000**	**100.0**
Males under 18 Years	1,880,000	54.2	1,215,000	59.4
Females under 18 Years	1,590,000	45.8	832,000	40.6
Subtotal Minors	**3,470,000**	**100.0**	**2,047,000**	**100.0**
Total	**51,440,000**		**47,040,000**	

*In the 1990 survey, a new approach was taken to divide sample respondents by sex. For purposes of accurate comparison, this method was applied retroactively to the 1985 survey results. Statistics for 1985 in this survey, therefore, may differ from those previously reported.

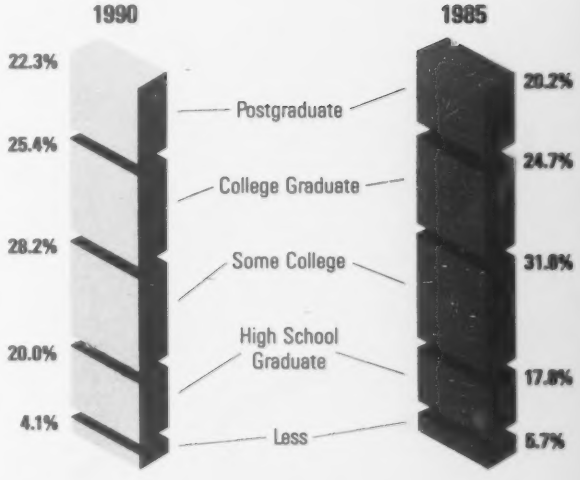
Education

As was the case in previous surveys, the incidence of shareownership increased with education level. While the number of shareowners with one to three years of college remained largely unchanged between 1985 and 1990, the number of shareowners with college degrees and post-graduate work grew by 13%.

In mid-1990, nearly 48% of the adult shareowners surveyed had a college degree, compared with 45% in 1985 and 37% in 1983. The number with only high school diplomas also increased, to 20% of the total from less than 18% in 1985.

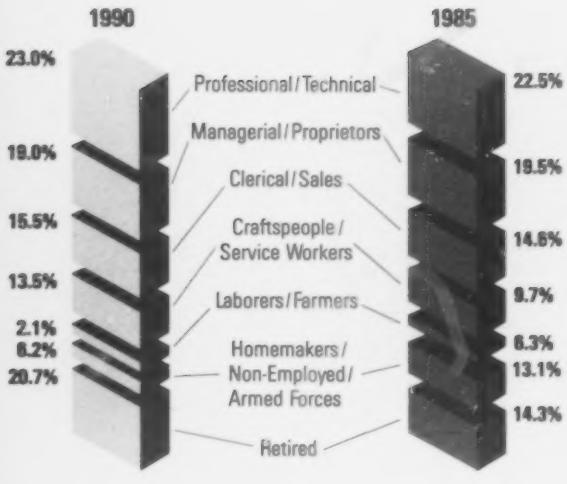
Only 4.1% of the adult shareowners in mid-1990 did not graduate from high school, a figure that has been dropping steadily.

The only other segment in which the number of shareowners declined was that for people with some college attendance but less than four years. That group made up the largest share of the stockholder population (28.2%), down somewhat from 31.6% in 1985.



Education of Adult Shareowners

	Individual Shareowners			
	1990		1985	
Education	**Number**	**% of Total**	**Number**	**% of Total**
3 Years of High School or Less	1,910,000	4.1	2,513,000	5.7
4 Years of High School	9,390,000	20.0	7,869,000	17.8
1 to 3 Years of College	13,280,000	28.2	13,937,000	31.6
4 Years of College	11,960,000	25.4	10,933,000	24.7
Postgraduate Work	10,490,000	22.3	8,921,000	20.2
Subtotal Adults	**47,030,000**	**100.0**	**44,173,000**	**100.0**
Minors	3,470,000		2,047,000	
Not Classified by Education	940,000		820,000	
Total	**51,440,000**		**47,040,000**	



Professional and technical people continued to be the largest group in the ranks of shareowners. They accounted for 23.0% of the adults classified by occupation in mid-1990, a slight increase from 22.5% in 1985.

The number of retired persons with stock jumped sharply into the second position, making up 20.7% of the adults classified, compared with only 14.3% in 1985. In just five years the number of retired shareowners increased 56%.

In part, that growth reflects the expansion of the retired population in the United States as people continue to retire earlier and live longer. The extent of the increase in shareownership also indicates a considerable broadening of interest in equity investments on their part.

Increases were also substantial among craftspeople and service workers, where the survey showed a rise of 49% over five years.

Shareownership declined substantially among two groups — laborers and farmers, and homemakers, non-employed and Armed Forces. The two groups accounted for 19.4% of the 1985 shareowner population, but only 8.3% of the 1990 total.

Occupation of Adult Shareowners

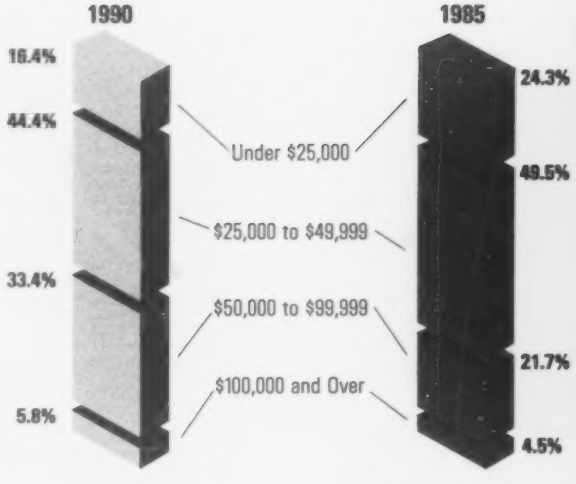
	Individual Shareowners			
	1990		1985	
Occupation	**Number**	**% of Total**	**Number**	**% of Total**
Professional/Technical	10,640,000	23.0	9,725,000	22.5
Managerial/Proprietors	8,800,000	19.0	8,399,000	19.5
Clerical/Sales	7,190,000	15.5	6,288,000	14.6
Craftspeople/Service Workers	6,230,000	13.5	4,193,000	9.7
Laborers/Farmers	950,000	2.1	2,728,000	6.3
Homemakers/Non-Employed/Armed Forces	2,860,000	6.2	5,666,000	13.1
Retired Persons	9,610,000	20.7	6,153,000	14.3
Subtotal Adults	**46,280,000**	**100.0**	**43,152,000**	**100.0**
Minors	3,470,000		2,047,000	
Not Classified by Occupation	1,690,000		1,841,000	
Total	**51,440,000**		**47,040,000**	

Income

Shareownership extended broadly across income levels. Three out of five adults with equity holdings were in households with less than $50,000 in annual income.* The largest group, accounting for 44% of the shareowner population, was composed of those individuals with a household income in the $25,000 to $49,999 range.

At the same time, growth in income was reflected in a greater number of adult shareowners in households with incomes above $50,000 — 39.2% compared with 26.2% in mid-1985.

Median income of shareowner households rose 19% to $43,800 in mid-1990 from $36,800 five years earlier. Both figures were considerably above the respective median household incomes for the overall U.S. population, which grew by 43% between 1985 and 1990 to $32,000.



Household* Income of Adult Shareowners

	Individual Shareowners			
	1990		1985	
Household Income	**Number**	**% of Total**	**Number**	**% of Total**
Under $15,000	2,860,000	6.2	3,344,000	7.8
$15,000 to $24,999	4,690,000	10.2	7,116,000	16.5
$25,000 to $49,999	20,320,000	44.4	21,369,000	49.5
$50,000 to $74,999	11,300,000	24.7	9,383,000	21.7
$75,000 to $99,999	3,960,000	8.7		
$100,000 and Over	2,650,000	5.8	1,938,000	4.5
Subtotal Adults	**45,780,000**	**100.0**	**43,150,000**	**100.0**
Minors	3,470,000		2,047,000	
Not Classified by Income	2,190,000		1,843,000	
Total	**51,440,000**		**47,040,000**	
Median Income:				
Adult Shareowners	$43,800		$36,800	
Adult U.S. Population	$32,000		$22,400	

*Includes only those households with telephones.

Portfolio size grew markedly between 1985 and 1990. Median portfolio value in equities was $11,400 in mid-1990, an increase of 84% from $6,200 five years earlier. In that period, the average price of securities also rose significantly, with the Dow Jones Industrial Average more than 1,000 points above its mid-1985 level.

About 47% of adult shareowners had less than $10,000 committed to the market, down from nearly 64% in 1985. Roughly a third had $10,000 to $49,999 invested in equities, compared with less than a quarter in 1985.

While the average number of stocks in the mid-1990 median portfolio was 3.2, up from 2.5 issues in mid-1985, most shareowners engaged in little buying and selling activity. For the year from mid-1989 to mid-1990, three out of five investors had one transaction or less; only 14.9% had six transactions or more.

Stock Transactions in the Past Year*

	Individual Shareowners	
Number of Transactions	**Number**	**%**
None	16,650,000	44.9
1	5,650,000	15.3
2	3,890,000	10.5
3	1,980,000	5.3
4	2,350,000	6.3
5	1,030,000	2.8
6 or more	5,510,000	14.9
Total Respondents	**37,060,000**	
Not Classified	14,380,000	
Total	**51,440,000**	

* Mid-1989 to mid-1990

Stock Portfolio Size of Adult Shareowners

	Individual Shareowners			
	1990		1985	
Portfolio Size	**Number**	**% of Total**	**Number**	**% of Total**
Under $5,000	15,260,000	34.5	17,173,000	45.0
$5,000 to $9,999	5,650,000	12.8	7,119,000	18.6
$10,000 to $24,999	9,240,000	20.9	5,888,000	15.4
$25,000 to $49,999	5,210,000	11.8	3,450,000	9.0
$50,000 to $99,999	4,250,000	9.6	1,915,000	5.0
$100,000 and Over	4,620,000	10.4	2,654,000	7.0
Subtotal Adults	**44,230,000**	**100.0**	**38,199,000**	**100.0**
Minors	3,470,000		2,047,000	
Not Classified by Portfolio Size	3,740,000		6,794,000	
Total	**51,440,000**		**47,040,000**	
Median Portfolio Value:				
Adult Shareowners	$11,400		$6,200	
Average Number of Stocks Held	3.2		2.5	

Methods of Stock Acquisition

Some 45% of those individuals already in the market who responded to questions concerning methods of stock acquisition used brokers for some or all of their transactions. Just under 30% said they invested by going to a mutual fund or investment company for at least some of their purchases or sales.

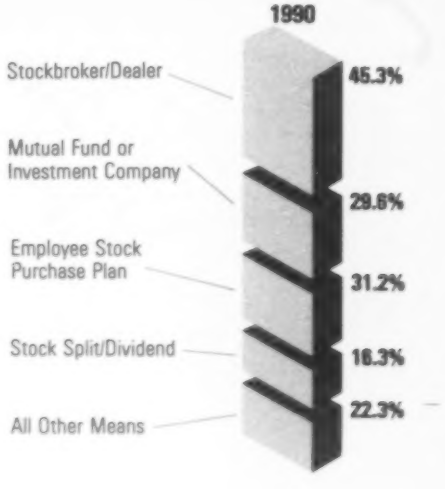
The largest number of shareowners entered the market initially through a broker/dealer, but that means of first entry declined from 42.3% in 1985, accounting for about one third of the shareovner population in mid-1990.

Acquisition through an employee stock purchase plan, meanwhile, grew substantially in the five-year period, and by mid-1990, the number of shareholders entering by that method nearly equaled the number using brokers.

These numbers sugges that employee plans may be a powerful force in exparding public participation in equity ownership, and in introducing individuals to shareownership.

Methods of Stock Acquisition Currently Used

Total exceeds 100% because some respondents gave multiple answers.



First Method of Stock Acquisition of Adult Shareowners

Total exceeds 100% because some respondents gave multiple answers.

	Individual Shareowners			
	1990		1985	
First Acquired From	**Number**	**% of Total**	**Number**	**% of Total**
Stockbroker/Dealer	13,640,000	33.6	14,519,000	42.3
Mutual Fund or Investment Company	5,210,000	12.8	N/A	N/A
Employee Stock Purchase Plan	13,060,000	32.1	9,381,000	27.3
Gift or Inheritance	4,550,000	11.2	6,151,000	17.9
Company Bonus	1,760,000	4.3	1,463,000	4.3
Insurance Agent	2,640,000	6.5	1,485,000	4.3
Bank	1,690,000	4.2	1,328,000	3.9
Total Respondents	**40,640,000**		**34,327,000**	
Minors	3,470,000		2,047,000	
Not Classified by Method of Entry	7,330,000		10,666,000	
Total	**51,440,000**		**47,040,000**	

Male and Female Shareowners

Changing patterns between male and female shareowners paralleled broader trends in society. The 1990 survey found that 70.3% of the female shareowners were employed — nearly as high a number as the 76.8% of male shareowners with jobs. Furthermore, of the employed women shareowners, 35.1% had professional/technical positions, compared to only 28.9% of the employed men shareowners.

Ownership by one-person households was high for women (27.7%), and only 55.8% of female shareowners were married, while fully 76.0% of male shareowners were.

Average household income for the female shareowners was $39,400 in mid-1990, compared with $46,400 for the male shareowners. While income has risen for both groups over the years, the median for women was still $7,000 below that for men.

While only 22.7% of the female shareowners surveyed in mid-1990 said they would take substantial or moderate investment risk, 39.3% of the men claimed to be willing to do so.

Profile of Adult Shareowners: Male and Female

	1990		
	All Adult Shareowners	Male	Female
Employed	74.3%	76.8%	70.3%
Employed as:*			
Professional/Technical	31.1	28.9	35.1
Managerial/Proprietors	25.7	28.6	20.6
Clerical/Sales	21.0	14.3	33.3
Completed College	25.4	27.7	21.6
Postgraduate Work	22.3	22.2	22.5
Married	68.5	76.0	55.8
Widowed	6.4	2.4	13.2
One-Person Household	19.3	14.3	27.7
First Method of Stock Acquisition:			
Broker/Dealer	33.6	35.7	29.9
Mutual Fund/Investment Co.	12.8	11.9	14.5
Employee Plan	32.1	33.4	29.9
Gift/Inheritance	11.2	9.9	13.4
Willing to Take Substantial/Moderate Investment Risks	33.2	39.3	22.7
Have IRA/Keogh	51.4	51.6	51.1
Broker Usage:**			
Full Service Only	56.1	53.8	60.6
Discount Only	23.7	23.9	23.3
Both	20.2	22.3	16.1
Own NYSE Stock	70.0	72.2	66.1
Own OTC Stock	26.2	27.3	24.1
Own Mutual Fund	59.8	60.0	59.4
Own 1 Stock Issue Only	29.9	29.1	31.3
Median:			
Age	45	45	44
Household Income	$43,800	$46,400	$39,400
Portfolio Value	$11,400	$13,500	$7,200
Average Number of Stocks Held	3.2	3.4	3.0

*Based on those who are employed. **Based on those who use brokers.

Baby Boomer and Senior Shareowners

Contrasting two major shareowner groups, baby boomers and seniors, the 35- to 44-year-old shareowners were about three times as likely to say they were willing to take investment risks as was the 65-and-over group. The baby boomers were also more likely to own only one stock issue, and were more attracted to discount brokers.

The older group had a median household income of $29,600 and portfolio value of $45,800. The younger group, on the other hand, had a larger median income — $48,100 — and a much smaller portfolio — $7,500.

The longer lifespan of retired individuals means a stable base of ownership of equities, with considerable sums invested. More than 80% of that group held at least some NYSE-listed stock, versus 62% for the baby boomers. The incidence of mutual-fund ownership for the two groups was about the same.

Profile of Adult Shareowners: Baby Boomer and Senior

	1990		
	All Adult Shareowners	Baby Boomer	Senior
Male	63.0%	63.4%	64.8%
Female	37.0	36.5	35.2
Employed	74.3	93.9	16.8
Completed College	25.4	32.9	17.9
Postgraduate Work	22.3	20.7	19.8
Married	68.5	73.1	54.7
Widowed	6.4	2.4	23.1
One-Person Household	19.3	14.4	38.9
First Entered Stock Market in Past Year	8.1	9.0	0.9
Willing to Take Substantial/Moderate Investment Risks	33.2	43.7	12.9
Have IRA/Keogh	51.4	46.2	47.2
Own NYSE Stock	70.0	62.4	81.0
Own OTC Stock	26.2	25.4	22.9
Own Mutual Fund	59.8	64.9	63.8
Own 1 Stock Issue Only	29.9	35.7	22.7
Broker Usage:*			
Full Service Only	56.1	57.6	63.8
Discount Only	23.7	27.1	13.2
Both	20.2	15.3	23.0
Median:			
Age	45	40	71
Household Income	$43,800	$48,100	$29,600
Portfolio Value	$11,400	$7,500	$45,800

*Based on those who use brokers.

New and Active Shareowners

While both new and active shareowners, by definition, were involved in at least one transaction between mid-1989 and mid-1990, their profiles were markedly different.

While new investors were equally likely to be men or women, more than two-thirds of the active investors — defined as making two or more transactions in the last year — were male.

New investors were less likely to have entered the market through a broker/dealer and much more likely to have entered through an employee stock ownership plan than were the active investors.

Despite the fact that the newcomers said they were less willing to accept risk, they were three times more likely to own only one stock issue than were active shareowners.

The division between full-service and discount brokerage use was about the same for both groups — 63.6% full-service to 22.8% discount for the newcomers; 57.2% full-service to 23.6% discount for the active investors.

Median age of the new investors was 33, compared with 47 for the active group. Median household income was $41,400 versus $53,300; median portfolio value was $2,400 in contrast to $22,600.

Profile of Adult Shareowners: New and Active

	1990		
	All Adult Shareowners	New	Active
Male	63.0%	50.9%	68.2%
Female	37.0	49.1	31.8
Completed College	25.4	25.4	30.0
Postgraduate Work	22.3	23.5	31.5
Married	68.5	64.0	71.6
One-Person Household	19.3	9.5	18.9
First Entered Stock Market in Past Year	8.1	100.0	10.0
First Method of Stock Acquisition:			
Broker/Dealer	33.6	34.7	46.1
Mutual Fund or Investment Co.	12.8	13.1	16.7
Employee Plan	32.1	34.7	19.5
Gift/Inheritance	11.2	0.0	11.1
Willing to Take Substantial/Moderate Investment Risks	33.2	37.8	46.8
Have IRA/Keogh	51.4	39.5	64.2
Own NYSE Stock	70.0	50.9	73.8
Own OTC Stock	26.2	18.5	40.2
Own Mutual Fund	59.8	61.2	74.3
Own 1 Stock Issue Only	29.9	43.4	13.4
Broker Usage:*			
Full Service Only	56.1	63.6	57.2
Discount Only	23.7	22.8	23.6
Both	20.2	13.6	19.2
Median:			
Age	45	33	47
Household Income	$43,800	$41,400	$53,300
Portfolio Value	$11,400	$2,400	$22,600

*Based on those who use brokers.

An examination of adult shareowners with and without brokerage accounts revealed that the former were more likely to have an IRA/Keogh plan and own shares in a mutual fund. Not surprisingly, they were far less likely to own only one stock. About 8% of those with accounts first entered the market in the last year.

Shareowners with brokerage accounts were older — with a median age of 50 versus 42 for those shareowners with no brokerage account. They also had 25% more income than did shareowners without brokerage accounts — $50,600 compared to $40,500.

Shareowners with brokerage accounts had completed college and had performed postgraduate work more frequently than had those without.

Profile of Adult Shareowners: With and Without Brokerage Account

	1990		
	All Adult Shareowners	With Brokerage Account	Without Brokerage Account
Male	63.0%	65.3%	61.2%
Female	37.0	34.7	38.8
Completed College	25.4	28.9	22.7
Postgraduate Work	22.3	27.1	18.5
Married	68.5	71.2	66.4
One-Person Household	19.3	19.1	19.4
First Entered Stock Market in Past Year	8.1	8.3	7.9
First Method of Stock Acquisition:			
Broker/Dealer	33.6	59.0	13.5
Mutual Fund or Investment Co.	12.8	9.0	15.8
Employee Plan	32.1	20.5	41.3
Gift/Inheritance	11.2	10.7	11.6
Willing to Take Substantial/Moderate Investment Risks	33.2	34.7	32.0
Have IRA/Keogh	51.4	60.6	45.0
Own NYSE Stock	70.0	79.9	61.8
Own OTC Stock	26.2	38.7	15.8
Own Mutual Fund	59.8	64.5	56.0
Own 1 Stock Issue Only	29.9	17.8	38.3
Broker Usage:*			
Full Service Only	56.1	56.1	–
Discount Only	23.7	23.7	–
Both	20.2	20.2	–
Median:			
Age	45	50	42
Household Income	$43,800	$50,600	$40,500
Portfolio Value	$11,400	$23,100	$6,500

*Based on those who use brokers.

Mutual-Fund Owners and IRA/Keogh Investors

Profiles of adult shareowners participating only in mutual funds and those shareowners with IRA/Keogh plans among their investments were quite similar, although the latter were more likely to have completed college and were more likely to be married.

Of the mutual-fund shareowners, 13.5% first opened their fund account in the last year; 4.2% of the shareowners with an IRA or Keogh started their investment in that period.

Mutual-fund shareowners were more likely to use a full-service broker and less likely to use a discount broker than were the IRA/Keogh participants.

Among shareowners participating only in mutual funds, 56.2% were male and 43.8% female; 60.6% of people with IRA/Keogh plans among their investments were male, while only 39.4% were female.

Profile of Adult Shareowners: Mutual Fund and IRA/Keogh

	1990		
	All Adult Shareowners	Mutual Fund Only	IRA/Keogh
Male	63.0%	56.2%	60.6%
Female	37.0	43.8	39.4
Completed College	25.4	14.8	27.2
Postgraduate Work	22.3	29.4	30.0
Married	68.5	63.5	74.6
One-Person Household	19.3	19.7	16.9
First Entered Stock Market in Past Year	8.1	13.5	4.2
First Method of Stock Acquisition:			
Broker/Dealer–	33.6	25.0	31.8
Mutual Fund or Investment Co.	12.8	36.9	17.9
Employee Plan	32.1	22.6	30.2
Gift or Inheritance	11.2	3.6	6.2
Willing to Take Substantial/Moderate Investment Risks	33.2	29.1	35.2
Broker Usage:*			
Full Service Only	56.1	60.0	47.4
Discount Only	23.7	20.0	31.1
Both	20.2	20.0	21.5
Median:			
Age	45	40	45
Household Income	$43,800	$41,400	$49,100
Portfolio Value	$11,400	$9,300	$15,800

*Based on those who use brokers.

Metropolitan Areas

In mid-1990, 24.3% of all shareowners lived in the top 10 metropolitan areas ranked by shareownership; over 40% lived in the top 25.

Shareownership increased significantly in smaller cities and in non-metropolitan areas between mid-1985 and mid-1990. It decreased in larger urban centers.

Close to half of the nation's shareowners lived in cities with a million or more residents. The incidence of shareownership in the big urban areas slipped to 22.6% in mid-1990 from 25.0% in mid-1985. The incidence rose sharply in non-metropolitan areas to 19.3% from 13.1%.

The divergent trends probably reflect the growth and general health of many of the medium to small cities while some large metropolitan areas, particularly financial centers, suffered from job cutbacks and sizable low-income populations.

New York, Los Angeles and Chicago were the three biggest centers in terms of shareholder numbers, followed by Detroit, Philadelphia, Washington, D.C. and the Boston area.

The other top-10 urban centers were Houston; the Nassau-Suffolk County area of Long Island, an area close enough to New York City to feel the shock waves of its financial services industry retrenchment; and Dallas, which appeared for the first time in the top 10.

Shareowners by Size of Metropolitan Area

	Individual Shareowners						
	1990		1985		1989	1990	1985
Metropolitan Area Population	Number	% of Total	Number	% of Total	Estimated Population	% Who Are Shareowners	
1,000,000 and Over	23,970,000	46.6	24,751,000	52.6	106,110,000	22.6	25.0
500,000-999,999	6,910,000	13.4	6,950,000	14.8	33,660,000	20.5	20.9
250,000-499,999	5,430,000	10.6	4,293,000	9.1	24,730,000	22.0	18.2
100,000-249,999	3,920,000	7.6	3,448,000	7.3	21,040,000	18.6	16.9
Under 100,000	360,000	0.7	307,000	0.7	1,850,000	19.5	17.6
Metro Areas Total	**40,590,000**	**78.9**	**39,749,000**	**84.5**	**187,390,000**	**21.7**	**22.3**
Non-Metro Areas	10,850,000	21.1	7,291,000	15.5	56,290,000	19.3	13.1
Total	**51,440,000**	**100.0**	**47,040,000**	**100.0**	**243,680,000**	**21.1**	**20.1**

Shareownership in Top 25 Metropolitan Areas - Ranked by Shareowners

Metropolitan Area	Individuals	Households*
1. New York	2,470,000	1,630,000
2. Los Angeles	1,850,000	1,230,000
3. Chicago	1,610,000	1,070,000
4. Detroit	1,240,000	820,000
5. Philadelphia	1,100,000	720,000
6. Washington, D.C.	1,000,000	670,000
7. Boston	940,000	620,000
8. Houston	880,000	580,000
9. Nassau-Suffolk, N.Y.	750,000	500,000
10. Dallas	670,000	440,000
11. Phoenix	650,000	430,000
12. St. Louis	640,000	420,000
13. Anaheim	630,000	420,000
14. Atlanta	630,000	410,000
15. Minneapolis	620,000	410,000
16. Newark	600,000	400,000
17. Cleveland	540,000	360,000
18. Baltimore	520,000	350,000
19. San Francisco	490,000	330,000
20. Oakland	490,000	320,000
21. Tampa	480,000	320,000
22. Miami	470,000	310,000
23. San Diego	450,000	300,000
24. Pittsburgh	450,000	300,000
25. Denver	440,000	290,000

Shareownership in 20 Additional High - Population Metropolitan Areas

Metropolitan Area	Individuals	Households*
San Jose	420,000	280,000
Cincinnati	410,000	270,000
Riverside-San Bernadino	410,000	270,000
Bergen-Passaic, N.J.	400,000	270,000
Milwaukee	400,000	270,000
Kansas City	390,000	260,000
Seattle	380,000	260,000
Fort Worth	370,000	240,000
Fort Lauderdale	360,000	240,000
Columbus	330,000	220,000
Portland	310,000	210,000
Sacramento	310,000	210,000
Hartford	310,000	210,000
Indianapolis	280,000	190,000
Norfolk	280,000	180,000
New Orleans	270,000	180,000
Orlando	270,000	180,000
Charlotte	240,000	160,000
Middlesex, N.J.	230,000	150,000
San Antonio	230,000	150,000

*Includes only those households with telephones.

Geographic Regions

Participation in the ownership of business spread widely across the central and southeastern regions of the nation, more than offsetting declines in some of the traditional concentrations of shareownership.

The two leading areas for shareowner population — the Northeast and the West Coast — showed a decline in ownership numbers in the last five years. Other areas showed solid gains.

The East North Central area, encompassing Illinois, Indiana, Michigan, Ohio and Wisconsin, showed a big gain to nearly 9.3 million, 16% above the mid-1985 total, making that the region with the most shareowners.

Slipping to second was the Middle Atlantic region, which includes New Jersey, New York and Pennsylvania. The ownership count there was nearly nine million in mid-1990. The South Atlantic region experienced a gain of 15% to over 8.5 million shareowners.

All across the heartland, ownership grew rapidly, including a 22% gain the West North Central area, 24% in the East South Central area and 25% in the Mountain states.

In other regions, shareownership rose 11% in the West South Central states. It fell 2% in New England and 1% in the Pacific states.

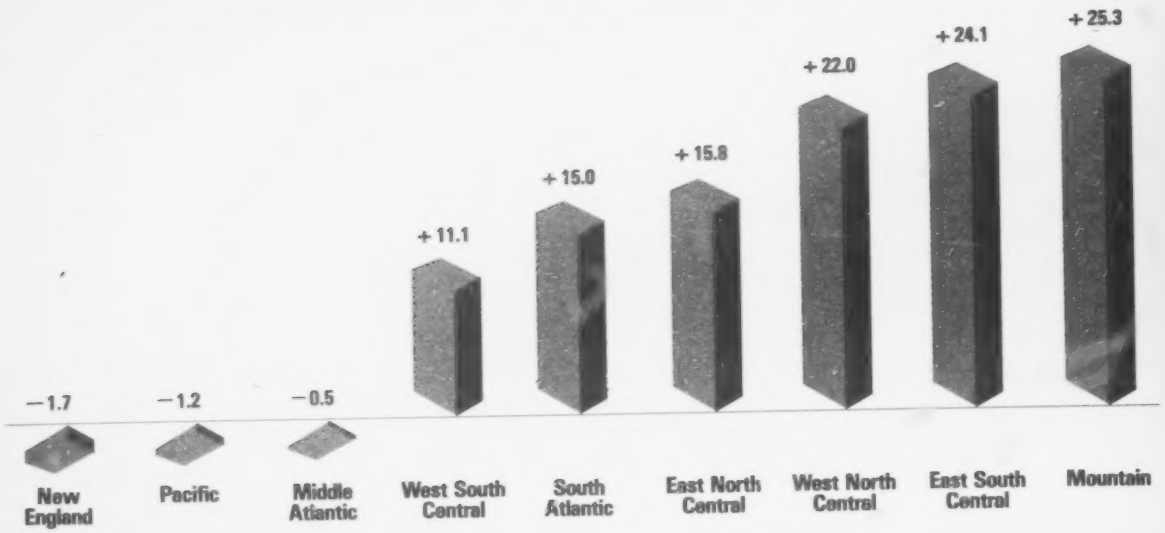
In terms of households (with telephones), however, the incidence of ownership was highest in the region including New York, where 45% have some type of equity holdings. New England was second at 44.6%. The East North Central region, with the highest individual shareowner count, had a household ownership rate of 41.9%, slightly above the national average of 40%.

The East South Central region, despite its growth in individual shareowners, still had the fewest owners — 2.3 million — and the lowest incidence of ownership by household — 29.1%

Shareowners by Region

	Individual Shareowners						
	1990		1985		1989	1990	1985
	Number	% of Total	Number	% of Total	Estimated Population	% Who Are Shareowners	
New England	3,060,000	5.9	3,112,000	6.6	12,910,000	23.7	25.2
Middle Atlantic	8,950,000	17.4	8,998,000	19.1	37,410,000	23.9	24.5
East North Central	9,260,000	18.0	7,997,000	17.0	41,730,000	22.2	19.5
West North Central	3,760,000	7.3	3,081,000	6.5	17,800,000	21.1	17.8
South Atlantic	8,580,000	16.7	7,462,000	15.9	42,190,000	20.3	19.1
East South Central	2,310,000	4.5	1,861,000	4.0	15,120,000	15.3	12.5
West South Central	5,020,000	9.8	4,520,000	9.6	26,550,000	18.9	17.5
Mountain	2,880,000	5.6	2,299,000	4.9	13,210,000	21.8	18.4
Pacific	7,620,000	14.8	7,710,000	16.4	36,760,000	20.7	22.8
Total U.S.	**51,440,000**	**100.0**	**47,040,000**	**100.0**	**243,680,000**	**21.1**	**20.1**

Percentage Change by Region – 1985-1990



Shareowner Households* by Region

	Shareowner Households 1990		1989	
	Number	% of Total	Estimated Household Population	% That Are Shareowner Households
New England	2,020,000	5.9	4,530,000	44.6
Middle Atlantic	5,920,000	17.4	13,155,000	45.0
East North Central	6,130,000	18.0	14,617,000	41.9
West North Central	2,490,000	7.3	6,289,000	39.6
South Atlantic	5,680,000	16.7	14,906,000	38.1
East South Central	1,530,000	4.5	5,260,000	29.1
West South Central	3,320,000	9.8	9,036,000	36.7
Mountain	1,910,000	5.6	4,529,000	42.2
Pacific	5,050,000	14.8	12,810,000	39.4
Total U.S.	**34,050,000**	**100.0**	**85,132,000**	**40.0**

*Includes only those households with telephones.

- New England
- Middle Atlantic

New England Shareowners

	1990		1985		Change	
Individuals	**Number**	**Incidence**	**Number**	**Incidence**	**Number**	**% Change**
Shareowners	3,060,000	23.7%	3,112,000	25.2%	(-52,000)	(-1.7)
Households*						
Shareowner Households	2,020,000	44.6%				

Connecticut
Maine
Massachusetts
New Hampshire
Rhode Island
Vermont

Middle Atlantic Shareowners

	1990		1985		Change	
Individuals	**Number**	**Incidence**	**Number**	**Incidence**	**Number**	**% Change**
Shareowners	8,950,000	23.9%	8,998,000	24.5%	(-48,000)	(-0.5)
Households*						
Shareowner Households	5,920,000	45.0%				

New Jersey
New York
Pennsylvania

*includes only those households with telephones.

East North Central Shareowners

Individuals	1990 Number	1990 Incidence	1985 Number	1985 Incidence	Change Number	Change % Change
Shareowners	9,260,000	22.2%	7,997,000	19.5%	1,263,000	15.8
Households*						
Shareowner Households	6,130,000	41.9%				

Illinois
Indiana
Michigan
Ohio
Wisconsin

West North Central Shareowners

Individuals	1990 Number	1990 Incidence	1985 Number	1985 Incidence	Change Number	Change % Change
Shareowners	3,760,000	21.1%	3,081,000	17.8%	679,000	22.0
Households*						
Shareowner Households	2,490,000	39.6%				

Iowa
Kansas
Minnesota
Missouri
Nebraska
North Dakota
South Dakota

*Includes only those households with telephones.

- South Atlantic
- East South Central

South Atlantic Shareowners

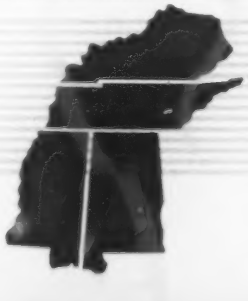
Individuals	1990 Number	1990 Incidence	1985 Number	1985 Incidence	Change Number	Change % Change
Shareowners	8,580,000	20.3%	7,462,000	19.1%	1,118,000	15.0
Households*						
Shareowner Households	5,680,000	38.1%				

Delaware
District of Columbia
Florida
Georgia
Maryland
North Caroline
South Caroline
Virginia
West Virginia

East South Central Shareowners

Individuals	1990 Number	1990 Incidence	1985 Number	1985 Incidence	Change Number	Change % Change
Shareowners	2,310,000	15.3%	1,861,000	12.5%	449,000	24.1
Households*						
Shareowner Households	1,530,000	29.1%				

Alabama
Kentucky
Mississippi
Tennessee

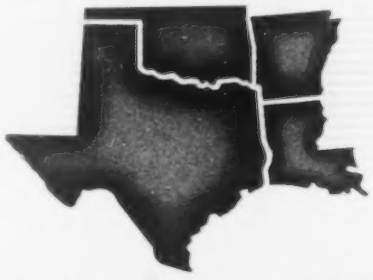


*Includes only those households with telephones.

West South Central Shareowners

Individuals	1990 Number	1990 Incidence	1985 Number	1985 Incidence	Change Number	Change % Change
Shareowners	5,020,000	18.9%	4,520,000	17.5%	500,000	11.1
Households*						
Shareowner Households	3,320,000	36.7%				

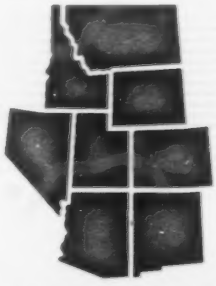
Arkansas
Louisiana
Oklahoma
Texas



Mountain Shareowners

Individuals	1990 Number	1990 Incidence	1985 Number	1985 Incidence	Change Number	Change % Change
Shareowners	2,880,000	21.8%	2,299,000	18.4%	581,000	25.3
Households*						
Shareowner Households	1,910,000	42.2%				

Arizona
Colorado
Idaho
Montana
Nevada
New Mexico
Utah
Wyoming



Pacific Shareowners

Individuals	1990 Number	1990 Incidence	1985 Number	1985 Incidence	Change Number	Change % Change
Shareowners	7,620,000	20.7%	7,710,000	22.8%	(-90,000)	(-1.2)
Households*						
Shareowner Households	5,050,000	39.4%				

Alaska
California
Hawaii
Oregon
Washington

*Includes only those households with telephones.

Methodology

Background Shareownership 1990 is the twelfth in a series of periodic studies conducted by the New York Stock Exchange to enumerate and profile shareowners in the United States. Between 1952 and 1975, shareownership was determined by examining samples of shareholder lists held by publicly traded companies and member firms. Since 1980, shareowner incidences have been determined by asking a random sample of U.S. household members whether they own stock in a public corporation or mutual fund.

In 1990, Chilton Research Services of Radnor, Pennsylvania was retained by the NYSE to conduct the survey, as they were in 1980, 1981, 1983 and 1985.

1990 Shareowner Survey For the 1990 survey, 10,879 individuals were contacted by telephone using random-digit dialing between July 25 and August 13. Telephone interviews were completed with 5,096 respondents. Of these, 1,986 represented shareowner households and 3,110 were non-shareowner households. A sub-sample of 712 shareowners returned a detailed follow-up mail questionnaire that elicited information about shareowner characteristics and investment behavior. An additional sub-sample of 884 non-shareowners returned a separate questionnaire for comparison and to substantiate the claim of non-shareownership made during the telephone interview.

All of the survey figures are precise within certain sampling tolerances. For example, the chances are 95 in 100 that the estimate of 51,440,000 individual shareowners will not vary by more than +/– 2 million. That is, if the survey were repeated, the estimated number of shareowners could be as high as 53.4 million or as low as 49.4 million. For other data in this survey, the sampling tolerances are accurate within +/– 3.7% to +/– 3.8% at the 95% confidence level.

Geographic Distribution of Shareowners Geographic data by region of the United States for the 1990 shareowner study were derived from the base survey of 5,096 telephone interviews. Shareownership incidences for Metropolitan Statistical Areas (MSAs) were obtained by augmenting the base survey with additional telephone interviews so that there were at least 170 interviews conducted in each of the top 25 MSAs and at least 100 in each of the other 20 MSAs examined. For geographic data, chances are 80 in 100 that estimates are within +/– 4.9% for the top 25 MSAs. For the second tier of 20 MSAs, chances are 80 in 100 that estimates are within +/– 6.4%. At the regional level, chances are 95 in 100 that estimates are within +/– 4.0%.